

2

3

State of Misconsin/Nud

LRB-0005/19 12 ARG&BAB:jld:pg

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

M 10 17

 $\overline{\text{AN ACT}}$  to renumber and amend 194.405; to amend  $194.23\,(1),\,194.31,\,194.34$ 

(1), 194.405 (title) and 194.41 (1); and to create 194.405 (2) of the statutes;

relating to: insurance requirements for motor carriers.

Analysis by the Legislative Reference Bureau

Under current law, the Department of Transportation (DOT) administers, in a manner provided under federal law, a single-state insurance registration system for common motor carriers and contract motor carriers allowing these motor carriers with interstate operations to register in, and pay applicable fees to, a single state with regard to proof of satisfaction of motor carrier insurance requirements. The registration is valid in, and the fee is divided among, all participating states. (The annual fee for this registration is \$5.

Under federal law, the single-state insurance registration system is repealed scheduled effective January 1, 2007. In its place, federal law has created a unified carrier registration system and states have until August 10, 2008, to elect to participate in this system. As with the single-state insurance registration system, the unified carrier registration system allows common motor carriers and contract motor carriers with interstate operations to register in, and pay applicable fees to, a single state with regard to proof of satisfaction of motor carrier insurance requirements. Unlike the single-state insurance registration system, the unified carrier registration system applies to private motor carriers as well as common motor carriers and contract motor carriers. Under the unified carrier registration system, the federal secretary of transportation, upon receiving a recommendation from the unified carrier registration plan board of directors, sets registration fees applicable to participating states.

Sincluding brokers, freight forwarders, leasing companies, and exempt for hive motor carriers?

to be

LRB-0005/P1 ARG&BAB:jld:pg

brokers, freight forwarders, leasing companies, and exempt for hire motor carriers

This bill authorizes DOT to participate in the unified carrier registration system and to impose on motor carriers, including private motor carriers, registration fees applicable to proof of satisfaction of motor carrier insurance requirements. These fees must be consistent with the fees set by the federal secretary of transportation, except that any change in these fees is subject to a passive review by the Joint Committee on Finance.

Under current law, DOT may not issue to a common motor carrier or contract motor carrier a motor carrier permit or register a motor carrier's vehicle unless the carrier has filed with DOT and has in effect an approved certificate for a policy of motor vehicle liability insurance. DOT may inspect the insurance records of any common motor carrier or contract motor carrier, and examine under oath any officer or employee of a common motor carrier or contract motor carrier, as to this required insurance. Under this bill, these provisions also apply to a private motor carrier registered with DOT under the unified carrier registration system.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**SECTION 1.** 194.23 (1) of the statutes is amended to read:

194.23 (1) No person may operate any motor vehicle as a common motor carrier unless the person first obtains a certificate and, if required under this chapter, a permit issued by the department, or unless the person is registered by another state under a single-state unified carrier registration system consistent with the standards under 49 USC 14504 13908 and 14504a, for the operation of the vehicle, except that no permit is required for the operation of a semitrailer. The department may issue or refuse to issue any certificate. The department may attach to the exercise of the privilege granted by a certificate any terms or conditions which are permitted under this chapter.

**SECTION 2.** 194.31 of the statutes is amended to read:

194.31 Inspection of records. The secretary, or any person employed by the secretary, shall, upon demand, have the right to inspect the insurance records of any

ment B

3

6

5

8

7

9

10 11

12

13

common motor carrier of property or of passengers er, of any contract motor carrier, or of any private motor carrier registered in this state under s. 194.405, and to examine under oath any officer, agent or employee of such carrier, in relation to the insurance required under s. 194.41; provided that any person other than the secretary who shall make such demand shall produce his or her authority under the hand and seal of the department.

**Section 3.** 194.34 (1) of the statutes is amended to read:

194.34 (1) No person may operate any motor vehicle as a contract motor carrier unless the person first obtains a license and, if required under this chapter, a permit issued by the department, or unless the person is registered by another state under a single state unified carrier registration system consistent with the standards under 49 USC 14504 13908 and 14504a, for the operation of the motor vehicle, except that no permit is required for the operation of a semitrailer. The department may refuse to issue any license or may attach to the exercise of the privilege granted by a license any terms or conditions which are permitted under this chapter.

**SECTION 4.** 194.405 (title) of the statutes is amended to read:

194.405 (title) Single-state Unified carrier insurance registration system.

SECTION 5. 194.405 of the statutes is renumbered 194.405 (1) and amended to read:

194.405 (1) The department may participate in and do all things necessary to implement and administer a single-state unified carrier insurance registration system for motor carriers including private motor carriers, in accordance with 49 USC 14504 13908 and 14504a. The annual fee required under this section for a motor vehicle that is operated in this state and which that is subject to the

single-state unified carrier insurance registration system shall be \$5 is the amount determined by the federal secretary of transportation under 49 USC 14504a (d) (7).

**SECTION 6.** 194.495 (2) of the statutes is created to read:

194.405 (2) Upon receiving notice of a federal change in fees under 49 USC 14504a (d) (7), the department shall submit to the joint committee on finance, and to the appropriate standing committees of the legislature, a written request to change fees consistent with the notice of a federal change in fees. If the cochairpersons of the joint committee on finance do not notify the secretary within 14 working days after the date of the department's submittal that the joint committee on finance has scheduled a meeting to review the request, the department may change fees payable under this section as provided in the request. If, within 14 working days after the date of the department's submittal, the cochairpersons of the joint committee on finance notify the secretary that the joint committee on finance has scheduled a meeting to review the request, the department may change fees payable under this section only as approved by the committee.

### **SECTION 7.** 194.41 (1) of the statutes is amended to read:

194.41 (1) No permit or vehicle registration may be issued to a common motor carrier of property, contract motor carrier, private motor carrier registered in this state under s. 194.403, or rental company, no permit or vehicle registration may remain in force to operate any motor vehicle under the authority of this chapter, and no vehicle registration may be issued or remain in force for a semitrailer unless the carrier or rental company has on file with the department and in effect an approved certificate for a policy of insurance or other written contract in such form and containing such terms and conditions as may be approved by the department issued by an insurer authorized to do a surety or automobile liability business in this state

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

under which the insurer assumes the liability prescribed by this section with respect to the operation of such motor vehicles. The certificate or other contract is subject to the approval of the department and shall provide that the insurer shall be directly liable for and shall pay all damages for injuries to or for the death of persons or for injuries to or destruction of property that may be recovered against the owner or operator of any such motor vehicles by reason of the negligent operation thereof in such amount as the department may require. Liability may be restricted so as to be inapplicable to damage claims on account of injury to or destruction of property transported, but the department may require, and with respect to a carrier transporting a building, as defined in s. 348.27 (12m) (a) 1., shall require, a certificate or other contract protecting the owner of the property transported by carriers from loss or damage in the amount and under the conditions as the department may require. No permit or vehicle registration may be issued to a common motor carrier of passengers by any motor vehicle, or other carrier of passengers by motor bus, except those registered in accordance with s. 341.26(2)(a) and (d), and no permit or vehicle registration may remain in force to operate any motor vehicle unless it has on file with the department a like certificate or other contract in the form and containing the terms and conditions as may be approved by the department for the payment of damages for injuries to property and injuries to or for the death of persons, including passengers, in the amounts as the department may require. This subsection does not apply to a motor carrier that is registered by another state under a single-state unified carrier registration system consistent with the standards 13908 and 14504a. under)49 USC(14504)

23

SECTION 8. Initial applicability. respectivel

1	(1) The renumbering and amendment of section 194.405 of the statutes first
2	applies to applications for insurance registration submitted on the effective date of
3	this subsection.
4	(2) The treatment of section 194.41 (1) of the statutes first applies to
5	applications for permits or vehicle registration submitted on the effective date of this
6	subsection.
7	(END)

### 2007-2008 DRAFTING INSERT FROM THE LEGISLATIVE REFERENCE BUREAU

#### **INSERT ANAL-A:**

(no P) Each state sets its own feed and the base state sends each participating state the proper amount of revenue reflecting vehicles that travel into the participating state.

#### **INSERT ANAL-B:**

The bill also allows DOT to continue to participate in the single-state insurance registration system for as long as this system continues to be authorized under federal law, but prohibits DOT from simultaneously participating in both the single-state insurance registration system and the unified carrier registration system.

#### INSERT 2-2:

194.23 (1) No person may operate any motor vehicle as a common motor carrier unless the person first obtains a certificate and, if required under this chapter, a permit issued by the department, or unless the person is registered by another state under a single-state or unified carrier registration system consistent with the standards under, respectively, 49 USC 14504 or 49 USC 13908 and 14504a, for the operation of the vehicle, except that no permit is required for the operation of a semitrailer. The department may issue or refuse to issue any certificate. The department may attach to the exercise of the privilege granted by a certificate any terms or conditions which are permitted under this chapter.

#### **INSERT 3-8:**

194.34 (1) No person may operate any motor vehicle as a contract motor carrier unless the person first obtains a license and, if required under this chapter, a permit issued by the department, or unless the person is registered by another state under

tion system consistent with the standar

a single-state <u>or unified carrier</u> registration system consistent with the standards under, <u>respectively</u>, 49 USC 14504 <u>or 49 USC 13908 and 14504a</u>, for the operation of the motor vehicle, except that no permit is required for the operation of a semitrailer. The department may refuse to issue any license or may attach to the exercise of the privilege granted by a license any terms or conditions which are permitted under this chapter.

**SECTION 1.** 194.407 of the statutes is created to read:

department may participate in and do all things necessary to implement and administer a unified carrier insurance registration system for motor carriers, including private motor carriers, in accordance with 49 USC 13908 and 14504a. The annual fee required under this section for a motor vehicle that is operated in this state and that is subject to the unified carrier insurance registration system is the amount determined by the federal secretary of transportation under 49 USC 14504a (d) (7), except that, if sub. (2) is applicable, the fee is the amount established under sub. (2).

(2) Upon receiving notice of a federal change in fees under 49 USC 14504a (d) (7), the department shall submit to the joint committee on finance, and to the appropriate standing committees of the legislature, a written request to change fees consistent with the notice of a federal change in fees. If the cochairpersons of the joint committee on finance do not notify the secretary within 14 working days after the date of the department's submittal that the joint committee on finance has scheduled a meeting to review the request, the department may change fees payable under this section as provided in the request. If, within 14 working days after the date of the

department's submittal, the cochairpersons of the joint committee on finance notify the secretary that the joint committee on finance has scheduled a meeting to review the request, the department may change fees payable under this section only as approved by the committee.

(3) The department may not administer an insurance registration system for motor carriers under both this section and s. 194.405.

(end ins 3-8)

#### Barman, Mike

From:

Barman, Mike

Sent:

Thursday, October 26, 2006 10:48 AM

To:

Gary, Aaron; Balinsky, Brett

Subject:

FW: Draft review: LRB 07-0005/P2 Topic: single state motor carrier registration; unified

carrier registration act

Importance: High

From: Baetsen, Karen

Sent: Thursday, October 26, 2006 10:46 AM

To: Barman, Mike

Cc: Nielson, Kristie; Swissler, John; Hammer, Paul; Nilsen, Paul

Subject: RE: Draft review: LRB 07-0005/P2 Topic: single state motor carrier registration; unified carrier

registration act Importance: High

Please forward the following comments regarding draft 0005/2 to Aaron Gary and Brett Balinsky.

DOT has read the UCR language thoroughly in the SAFETEA-LU law, and we have consulted with the UCR board. We have learned that there are two distinct operations that will occur under UCR.

- On the one hand, the USDOT will be responsible for collection of insurance filings from motor carriers -- not the states.
- On the other hand, the states will collect and distribute fees under a base-state system. Wisconsin private motor carriers will not need to file insurance with Wisconsin DOT. In this respect, the UCR will NOT be an insurance registration system as was SSRS; it will merely be a fee-type registration system.

Wisconsin has a long legislative history of NOT requiring insurance of private motor carriers. Thus, it is NOT appropriate for us to ask for private motor carriers to be included in insurance filing requirements to Wisconsin DOT.

Therefore, we need to eliminate all references to "insurance" under the UCR.

Consequently, the following drafting changes to LRB-0005/P2 are needed.

- 1. In the Bill Analysis, 3 changes are desired. Eliminate the words that are in red below.
  - Second paragraph -- "As with the single-state insurance registration system, the unified carrier registration system allows common motor carriers and contract motor carriers with interstate operations to register in, and pay applicable fees to, a single state with regard to proof of satisfaction of motor carrier insurance requirements."
  - Third paragraph -- "This bill authorizes DOT to participate in the unified carrier registration system and to impose on motor carriers, including private motor carriers, brokers, freight forwarders, leasing companies, and exempt for-hire motor carriers registration fees applicable to proof of satisfaction of motor carrier insurance requirements."
  - Fourth paragraph -- Delete the entire fourth paragraph because we are not asking for private motor carriers to be covered under state insurance requirements.
- 2. In the statutory language itself:
  - Eliminate all of Section 2 of the bill, page 3, lines 3-11.

- Eliminate all of Section 5 of the bill, page 4 line 21 page 6, line 3.
- Page 4, lines 19-20; created as s. 194.407(3). Since SSRS under 194.405 IS an insurance registration system but UCR under 194.407 IS NOT an insurance registration system, amend line 19-20 to read "The department may not administer both an insurance registration system for motor carriers under s.194.405 and a registration system for motor carriers under this section."
- Section 4 of the bill creates the UCR system. Eliminate the word "insurance" in the title on page 3, line 23; and in the body of the section on page 3, line 25; and in the body of the section on page 4, line 3.

If you have any questions, please give us a call. Thanks for considering into the next draft.

#### Karen Baetsen

Department of Transportation Office of Policy, Budget and Finance Room 132B Hill Farms 608/ 266-0179 karen.baetsen@dot.state.wi.us

----Original Message-----

From: Barman, Mike [mailto:Mike.Barman@legis.wisconsin.gov]

Sent: Wednesday, October 18, 2006 9:46 AM

To: Baetsen, Karen

Subject: Draft review: LRB 07-0005/P2 Topic: single state motor carrier registration; unified carrier

registration act

Following is the PDF version of draft LRB 07-0005/P2.

### Gary, Aaron

From:

Baetsen, Karen

Sent:

Monday, October 30, 2006 12:59 PM

To: Cc: Gary, Aaron

\_ . .

Swissler, John

Subject:

FW: Draft review: LRB 07-0005/P2 Topic: single state motor carrier registration; unified

carrier registration act

Importance:

High

Follow Up Flag: Follow up

Flag Status:

Flagged

DMV's response is noted.... thanks for asking us!!

----Original Message-----From: Frazier, Carson

**Sent:** Monday, October 30, 2006 12:39 PM

To: Baetsen, Karen; Niva, Gregory; Galbraith, Timothy

Cc: Swissler, John; Frazier, Carson

Subject: RE: Draft review: LRB 07-0005/P2 Topic: single state motor carrier registration; unified carrier

registration act
Importance: High

Karen: <u>Aaron is right!</u> DO NOT make the changes he shows on page 4, lines23-24, but DO make the changes he shows at the very end, page 6, lines 2-3. Thanks to Aaron for catching that!!!

Carson P. Frazier

Program Officer, Legislative Liaison

Division of Motor Vehicles

Phone: 608-266-7857

----Original Message-----From: Baetsen, Karen

**Sent:** Monday, October 30, 2006 11:50 AM

To: Frazier, Carson; Niva, Gregory; Galbraith, Timothy

Cc: Swissler, John

Subject: FW: Draft review: LRB 07-0005/P2 Topic: single state motor carrier registration; unified carrier

registration act **Importance:** High

I'm a bit pushed for time to review all the notes.....can one of you let me know how to answer Aaron's inquiry? He just wants to be very sure we want it all eliminated!!

----Original Message----

**From:** Gary, Aaron [mailto:Aaron.Gary@legis.wisconsin.gov]

**Sent:** Monday, October 30, 2006 10:32 AM

To: Baetsen, Karen

Subject: RE: Draft review: LRB 07-0005/P2 Topic: single state motor carrier registration; unified carrier

registration act

Hi Karen.

This is done, but I'm wondering if DOT really wants to eliminate all of bill section 5, or whether DOT wants to eliminate the changes at p. 4, lines 23-24 and keep the changes at p. 6, lines 2-3? Please let me know. Thanks. Aaron

Aaron R. Gary
Legislative Attorney
Legislative Reference Bureau
608.261.6926 (voice)
608.264.6948 (fax)
aaron.gary@legis.state.wi.us

From: Baetsen, Karen

Sent: Thursday, October 26, 2006 10:46 AM

To: Barman, Mike

Cc: Nielson, Kristie; Swissler, John; Hammer, Paul; Nilsen, Paul

Subject: RE: Draft review: LRB 07-0005/P2 Topic: single state motor carrier registration; unified carrier

registration act

Importance: High

Please forward the following comments regarding draft 0005/2 to Aaron Gary and Brett Balinsky.

DOT has read the UCR language thoroughly in the SAFETEA-LU law, and we have consulted with the UCR board. We have learned that there are two distinct operations that will occur under UCR.

- On the one hand, the USDOT will be responsible for collection of insurance filings from motor carriers -- not the states.
- On the other hand, the states will collect and distribute fees under a base-state system. Wisconsin
  private motor carriers will not need to file insurance with Wisconsin DOT. In this respect, the UCR
  will NOT be an insurance registration system as was SSRS; it will merely be a fee-type registration
  system.

Wisconsin has a long legislative history of NOT requiring insurance of private motor carriers. Thus, it is NOT appropriate for us to ask for private motor carriers to be included in insurance filing requirements to Wisconsin DOT.

Therefore, we need to eliminate all references to "insurance" under the UCR.

Consequently, the following drafting changes to LRB-0005/P2 are needed.

- 1. In the Bill Analysis, 3 changes are desired. Eliminate the words that are in red below.
  - Second paragraph -- "As with the single-state insurance registration system, the unified carrier
    registration system allows common motor carriers and contract motor carriers with interstate
    operations to register in, and pay applicable fees to, a single state with regard to proof of satisfaction
    of motor carrier insurance requirements."
  - Third paragraph -- "This bill authorizes DOT to participate in the unified carrier registration system
    and to impose on motor carriers, including private motor carriers, brokers, freight forwarders, leasing
    companies, and exempt for-hire motor carriers registration fees applicable to proof of satisfaction of
    motor carrier insurance requirements."
  - Fourth paragraph -- Delete the entire fourth paragraph because we are not asking for private motor carriers to be covered under state insurance requirements.



# State of Misconsin 2007 - 2008 LEGISLATURE

LRB-0005/22 P 3

in 10/30

(RMR)

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

Worth by 11/1

Kegen

AN ACT to amend 194.23 (1), 194.31, 194.34 (1) and 194.41 (1); and to create

2

1

194.407 of the statutes; relating to: insurance requirements for motor carriers.

3

### Analysis by the Legislative Reference Bureau

Under current law, the Department of Transportation (DOT) administers, in a manner provided under federal law, a single-state insurance registration system for common motor carriers and contract motor carriers allowing these motor carriers with interstate operations to register in, and pay applicable fees to, a single state with regard to proof of satisfaction of motor carrier insurance requirements. The registration is valid in all participating states. Each state sets its own fee and the base state sends each participating state the proper amount of revenue reflecting vehicles that travel into the participating state. The annual fee in Wisconsin for this registration is \$5.

Under federal law, the single-state insurance registration system is scheduled to be repealed effective January 1, 2007, and replaced by a unified carrier registration system. As with the single-state insurance registration system, the unified carrier registration system allows common motor carriers and contract motor carriers with interstate operations to register in, and pay applicable fees to, a single state with regard to proof of satisfaction of motor carrier insurance requirements. Unlike the single-state insurance registration system, the unified carrier registration system applies to private motor carriers as well as common motor carriers and contract motor carriers, including brokers, freight forwarders, leasing companies, and exempt for-hire motor carriers. Under the unified carrier

 $^{2}$ 

3

4

5

6

7

8

registration system, the federal secretary of transportation, upon receiving a recommendation from the unified carrier registration plan board of directors, sets registration fees applicable to participating states.

This bill authorizes DOT to participate in the unified carrier registration system and to impose on motor carriers, including private motor carriers, brokers, freight forwarders, leasing companies, and exempt for-hire motor carriers registration fees applicable to proof of satisfaction of motor carrier insurance requirements. These fees must be consistent with the fees set by the federal secretary of transportation, except that any change in these fees is subject to passive review by the Joint Committee on Finance. The bill also allows DOT to continue to participate in the single-state insurance registration system for as long as this system continues to be authorized under federal law, but prohibits DOT from simultaneously participating in both the single-state insurance registration system and the unified carrier registration system.

Under current law, DOT may not issue to a common motor carrier or contract motor carrier a motor carrier permit or register a motor carrier's vehicle unless the carrier has filed with DOT and has in effect an approved certificate for a policy of motor vehicle liability insurance. DOT may inspect the insurance records of any common motor carrier or contract motor carrier, and examine under oath any officer or employee of a common motor carrier or contract motor carrier, as to this required insurance. Under this bill, these provisions also apply to a private motor carrier registered with DOT under the unified carrier registration system.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

# The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 194.23 (1) of the statutes is amended to read:

194.23 (1) No person may operate any motor vehicle as a common motor carrier unless the person first obtains a certificate and, if required under this chapter, a permit issued by the department, or unless the person is registered by another state under a single-state or unified carrier registration system consistent with the standards under, respectively, 49 USC 14504 or 49 USC 13908 and 14504a, for the operation of the vehicle, except that no permit is required for the operation of a semitrailer. The department may issue or refuse to issue any certificate. The

department may attach to the exercise of the privilege granted by a certificate any terms or conditions which are permitted under this chapter.

**Section 2.** 194.31 of the statutes is amended to read:

194.31 Inspection of records. The secretary, or any person employed by the secretary, shall, upon demand, have the right to inspect the insurance records of any common motor carrier of property or of passengers er, of any contract motor carrier, or of any private motor carrier registered in this state under s. 194.407, and to examine under oath any officer, agent or employee of such carrier, in relation to the insurance required under s. 194.41; provided that any person other than the secretary who shall make such demand shall produce his or her authority under the hand and seal of the department.

**SECTION 3.** 194.34 (1) of the statutes is amended to read:

194.34 (1) No person may operate any motor vehicle as a contract motor carrier unless the person first obtains a license and, if required under this chapter, a permit issued by the department, or unless the person is registered by another state under a single-state or unified carrier registration system consistent with the standards under, respectively, 49 USC 14504 or 49 USC 13908 and 14504a, for the operation of the motor vehicle, except that no permit is required for the operation of a semitrailer. The department may refuse to issue any license or may attach to the exercise of the privilege granted by a license any terms or conditions which are permitted under this chapter.

**SECTION 4.** 194.407 of the statutes is created to read:

194.407 Unified carrier insurance registration system. (1) The department may participate in and do all things necessary to implement and administer a unified carrier insurance registration system for motor carriers,

including private motor carriers, in accordance with 49 USC 13908 and 14504a. The
annual fee required under this section for a motor vehicle that is operated in this
state and that is subject to the unified carrier insurance registration system is the
amount determined by the federal secretary of transportation under 49 USC 14504a
(d) (7), except that, if sub. (2) is applicable, the fee is the amount established under
sub. (2).

- (2) Upon receiving notice of a federal change in fees under 49 USC 14504a (d) (7), the department shall submit to the joint committee on finance, and to the appropriate standing committees of the legislature, a written request to change fees consistent with the notice of a federal change in fees. If the cochairpersons of the joint committee on finance do not notify the secretary within 14 working days after the date of the department's submittal that the joint committee on finance has scheduled a meeting to review the request, the department may change fees payable under this section as provided in the request. If, within 14 working days after the date of the department's submittal, the cochairpersons of the joint committee on finance notify the secretary that the joint committee on finance has scheduled a meeting to review the request, the department may change fees payable under this section only as approved by the committee.
- (3) The department may not administer an insurance registration system for motor carriers under both this section and s. 194.405.

  And a registration system for motor carriers under this section

**SECTION 5.** 194.41 (1) of the statutes is amended to read:

194.41 (1) No permit or vehicle registration may be issued to a common motor carrier of property, contract motor carrier, private motor carrier registered in this state under s. 194.407, or rental company, no permit or vehicle registration may remain in force to operate any motor vehicle under the authority of this chapter, and

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

no vehicle registration may be issued or remain in force for a semitrailer unless the carrier or rental company has on file with the department and in effect an approved certificate for a policy of insurance or other written contract in such form and containing such terms and conditions as may be approved by the department issued by an insurer authorized to do a surety or automobile liability business in this state under which the insurer assumes the liability prescribed by this section with respect to the operation of such motor vehicles. The certificate or other contract is subject to the approval of the department and shall provide that the insurer shall be directly liable for and shall pay all damages for injuries to or for the death of persons or for injuries to or destruction of property that may be recovered against the owner or operator of any such motor vehicles by reason of the negligent operation thereof in such amount as the department may require. Liability may be restricted so as to be inapplicable to damage claims on account of injury to or destruction of property transported, but the department may require, and with respect to a carrier transporting a building, as defined in s. 348.27 (12m) (a) 1., shall require, a certificate or other contract protecting the owner of the property transported by carriers from loss or damage in the amount and under the conditions as the department may require. No permit or vehicle registration may be issued to a common motor carrier of passengers by any motor vehicle, or other carrier of passengers by motor bus, except those registered in accordance with s. 341.26(2)(a) and (d), and no permit or vehicle registration may remain in force to operate any motor vehicle unless it has on file with the department a like certificate or other contract in the form and containing the terms and conditions as may be approved by the department for the payment of damages for injuries to property and injuries to or for the death of persons, including passengers, in the amounts as the department may require. This

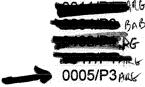
1	subsection does not apply to a motor carrier that is registered by another state under
2	a single-state <u>or unified carrier</u> registration system consistent with the standards
3	under, respectively 49 USC 14504 or 49 USC 13908 and 14504a

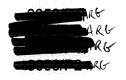
4 (END)

### 2007-09 Budget Bill Statutory Language Drafting Request

Topic: Conversion - all pending DOT Statutory Language Requests

• Tracking Codes:





BB0192

SBO team: Environmental and Commercial Resources

SBO analyst: Sara Kornely

Phone: 266-1039

Email: sara.kornely@wisconsin.gov

Agency acronym: DOT

Agency number: 395

• Priority (Low, Medium, High): Medium

Please convert all drafting requests above from DOT requests to DOA requests.



2

# State of Misconsin 2007 - 2008 LEGISLATURE

LRB-0005/

- 11/24

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

RMR

TRANSPORTATION = head

PRIVERS AND MOTOR VEHICLES = subhead

DON'T GEN

AN ACT to amend 194.23 (1), 194.34 (1) and 194.41 (1) and to create 194.407

of the statutes; relating to: registration requirements for motor carriers.

Analysis by the Legislative Reference Bureau 🦯

Under current law, the Department of Transportation (DOT) administers, in a manner provided under federal law, a single-state insurance registration system for common motor carriers and contract motor carriers allowing these motor carriers with interstate operations to register in, and pay applicable fees to, a single state with regard to proof of satisfaction of motor carrier insurance requirements. The registration is valid in all participating states. Each state sets its own fee and the base state sends each participating state the proper amount of revenue reflecting vehicles that travel into the participating state. The annual fee in Wisconsin for this registration is \$5.

Under federal law, the single-state insurance registration system is scheduled to be repealed effective January 1, 2007, and replaced by a unified carrier registration system. As with the single-state insurance registration system, the unified carrier registration system allows common motor carriers and contract motor carriers with interstate operations to register in, and pay applicable fees to, a single state. Unlike the single-state insurance registration system, the unified carrier registration system applies to private motor carriers as well as common motor carriers and contract motor carriers, including brokers, freight forwarders, leasing companies, and exempt for-hire motor carriers. Under the unified carrier registration system, the federal secretary of transportation, upon receiving a recommendation from the unified carrier registration plan board of directors, sets registration fees applicable to participating states.

TEE

1

 $\mathbf{2}$ 

3

4

5

6

7

8

9

10

11

12

13

14

15

This bill authorizes DOT to participate in the unified carrier registration system and to impose registration fees on motor carriers, including private motor carriers, brokers, freight forwarders, leasing companies, and exempt for-hire motor carriers. These fees must be consistent with the fees set by the federal secretary of transportation, except that any change in these fees is subject to passive review by the Joint Committee on Finance. The bill also allows DOT to continue to participate in the single-state insurance registration system for as long as this system continues to be authorized under federal law, but prohibits DOT from simultaneously participating in both the single-state insurance registration system and the unified carrier registration system.

For further information see the **state** fiscal estimate, which will be printed as an appendix to this bill.

# The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**SECTION 1.** 194.23 (1) of the statutes is amended to read:

194.23 (1) No person may operate any motor vehicle as a common motor carrier unless the person first obtains a certificate and, if required under this chapter, a permit issued by the department, or unless the person is registered by another state under a single-state or unified carrier registration system consistent with the standards under, respectively, 49 USC 14504 or 49 USC 13908 and 14504a, for the operation of the vehicle, except that no permit is required for the operation of a semitrailer. The department may issue or refuse to issue any certificate. The department may attach to the exercise of the privilege granted by a certificate any terms or conditions which are permitted under this chapter.

**Section 2.** 194.34 (1) of the statutes is amended to read:

194.34 (1) No person may operate any motor vehicle as a contract motor carrier unless the person first obtains a license and, if required under this chapter, a permit issued by the department, or unless the person is registered by another state under a single-state or unified carrier registration system consistent with the standards

under, respectively, 49 USC 14504 or 49 USC 13908 and 14504a, for the operation of the motor vehicle, except that no permit is required for the operation of a semitrailer. The department may refuse to issue any license or may attach to the exercise of the privilege granted by a license any terms or conditions which are permitted under this chapter.

**SECTION 3.** 194.407 of the statutes is created to read:

194.407 Unified carrier registration system. (1) The department may participate in and do all things necessary to implement and administer a unified carrier registration system for motor carriers, including private motor carriers, in accordance with 49 USC 13908 and 14504a. The annual fee required under this section for a motor vehicle that is operated in this state and that is subject to the unified carrier registration system is the amount determined by the federal secretary of transportation under 49 USC 14504a (d) (7), except that, if sub. (2) is applicable, the fee is the amount established under sub. (2).

(2) Upon receiving notice of a federal change in fees under 49 USC 14504a (d) (7), the department shall submit to the joint committee on finance, and to the appropriate standing committees of the legislature, a written request to change fees consistent with the notice of a federal change in fees. If the cochairpersons of the joint committee on finance do not notify the secretary within 14 working days after the date of the department's submittal that the joint committee on finance has scheduled a meeting to review the request, the department may change fees payable under this section as provided in the request. If, within 14 working days after the date of the department's submittal, the cochairpersons of the joint committee on finance notify the secretary that the joint committee on finance has scheduled a meeting to review

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

the request, the department may change fees payable under this section only as approved by the committee.

(3) The department may not administer both an insurance registration system for motor carriers under s. 194.405 and a registration system for motor carriers under this section.

### **Section 4.** 194.41 (1) of the statutes is amended to read:

194.41 (1) No permit or vehicle registration may be issued to a common motor carrier of property, contract motor carrier, or rental company, no permit or vehicle registration may remain in force to operate any motor vehicle under the authority of this chapter, and no vehicle registration may be issued or remain in force for a semitrailer unless the carrier or rental company has on file with the department and in effect an approved certificate for a policy of insurance or other written contract in such form and containing such terms and conditions as may be approved by the department issued by an insurer authorized to do a surety or automobile liability business in this state under which the insurer assumes the liability prescribed by this section with respect to the operation of such motor vehicles. The certificate or other contract is subject to the approval of the department and shall provide that the insurer shall be directly liable for and shall pay all damages for injuries to or for the death of persons or for injuries to or destruction of property that may be recovered against the owner or operator of any such motor vehicles by reason of the negligent operation thereof in such amount as the department may require. Liability may be restricted so as to be inapplicable to damage claims on account of injury to or destruction of property transported, but the department may require, and with respect to a carrier transporting a building, as defined in s. 348.27 (12m) (a) 1., shall require, a certificate or other contract protecting the owner of the property

transported by carriers from loss or damage in the amount and under the conditions as the department may require. No permit or vehicle registration may be issued to a common motor carrier of passengers by any motor vehicle, or other carrier of passengers by motor bus, except those registered in accordance with s. 341.26 (2) (a) and (d), and no permit or vehicle registration may remain in force to operate any motor vehicle unless it has on file with the department a like certificate or other contract in the form and containing the terms and conditions as may be approved by the department for the payment of damages for injuries to property and injuries to or for the death of persons, including passengers, in the amounts as the department may require. This subsection does not apply to a motor carrier that is registered by another state under a single-state or unified carrier registration system consistent with the standards under, respectively, 49 USC 14504 or 49 USC 13908 and 14504a.

(END)

Note

# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-0005/1dn ARG: \( \):...

date

ATTN: Sara Kornely

The attached draft is identical to LRB-0005/P3, previously submitted to DOT, except for changes necessary to put the draft into budget form.

Aaron R. Gary Legislative Attorney Phone: (608) 261–6926

E-mail: aaron.gary@legis.wisconsin.gov

# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-0005/1dn ARG:jld:jf

November 28, 2006

ATTN: Sara Kornely

The attached draft is identical to LRB-0005/P3, previously submitted to DOT, except for changes necessary to put the draft into budget form.

Aaron R. Gary Legislative Attorney Phone: (608) 261-6926

E-mail: aaron.gary@legis.wisconsin.gov

## STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

			Control of the second of the s	sayılıyda sayanın gilgə qərənə sayladı ilə samənli ələr mər samı səmə səməsə salan ilə salan ilə səməsə	
	aaki viristi kiili qarahi ijin ish qara mada ahan kan ka		ark tamoù retin di a ta 1866 (n. 1886), a lei hai i y gant a retin e e e e e e e e e e e e e e e e e e e	a sa manistra ani mana i manisma mana ana a mana a man	
			go, dans, devengalistangan open est paggar as ya esparatura a kelikin opinika (delektrologische delektrologisch		4
7/c	v /	29/9	ala da ran da da comunidad de la comunidad de la comunidad de contracción de la contracción de la contracción d	. J.	
adionilisma (com secure and defende on conducting distinction distinction) (conducting and an activation) and	na, i conserva de la colonida de la comercia de la colonida con esta en esta en esta en el colonida de la colonida del colonida de la colonida de la colonida del colonida de la colonida del colonida de la colonida de la colonida de la colonida del colonida de la colonida de la colonida de la colonida del	aasta mata matama sunna amadatta interioren interioren idan suntanin perdagiones saannis illastis sais dassa n	is sisses in the definition of the most of the definition and the second section of the section of the second section of the sec		ender verkelijk flest verkelijk (de verkelijk van de verkelijk (de verkelijk verkelijk verkelijk verkelijk ver
al popularitique una alla presidente contrata esta esta esta esta esta esta esta e	· tale	2 out	TFC	review	anna ann an ann ann ann ann ann ann ann
	fe.	by DOT	Tale	PO A RESIDENCIA DE CONTROL DE CON	
en egis est, similarina medida eta si etterio eta denoi eta et eta eti eta etterio eta eta eta eta eta eta eta	norm graineasininasinin isi saadii jagaan saalii gooda oo		and and the second seco	enita en entre en	
	there was the second and the second		ggan jakan njaligan panigapan pangahanga manananan na silan silan menandah n Asilani - silan silan silan silan Tilan silan sil	Communicação à colon com a referención in acetro actividado colon referenciado do la actividad a la secul	
sayaya ya qaran ahaa ahaa ahaa ahaa ahaa ahaa ahaa	i denda partitut en manutura de esta de la companya	Nagarapan (A) gang daman keralamah dalamah pendian bahan dalah di 1960 andar 6 di 1960 andar 6 di 1960 andar 6	on a comunicat di unormalia addinarazione con iniciare di inicati inicati un anticolori di ancienti di un un anticolori	untergranistisch, un erweiten der geste vereit, unter sonen ein gelicht, er vereit, vereit unter der gelein siedelijken werden.	
, geological de la come en esta comprendencia de la unicada productiva de la comprendencia de la comprendencia	e til makkunstnerer er <b>min</b> nt stemsteren mar i dinnsk vor vidd i stil dinkt med stock till att för til mindelst		ekin kaka da dha kilik ki isangan kida ayik nagagapa taraka ayin ayin paya para anangan anangan anang baran an	kuurus kandakkin dii valisi Seeree erasii oleh Alemberherin erin oleh Sistem (Sistem Sistem S	
essa Alla Malles (17 Alla 175) — esti septembrillaren erek erenapea — espetembrilaren birririak erappenbrilar	empidelikko isidanni irakuniska poliski pirisidelikalikalikalikalikalikalikalika isidon 1911 etti 1911 etti 19		ala dirence de la Maria de Carlo de La Maria de Carlo de La Maria de Carlo de Carlo de Carlo de Carlo de Carlo		gggggggggggggggggggggggggggggggggggggg
					and the second s
aggi aggi aggi aggi aggi aggi aggi aggi	same and continuous actions in the state of		anta ana andreway digita da la	Capanananananananananananananananananana	and production of the contract
					antan aparamana a a a a a a a a a a a a a a a a a
u pangyangu wananan da da dan da dan da	annessentras in a commissioni militara sentratar a sentratiga en decempo, a anti-anteniale enquanta a sentra		enne a Mariandon e a marcial de como en desenvención está el del del del del como a como a como de como de como	andratics before the contraction (ED) to an extension and any constituence of the present delication as a section	
e gift gjenne fransk i skrivet i sen en kantal frankrein i skrivet frankrein i skrivet	m de deriver de executor communication de la c	tau et salarina sidata a salarina e kan inimite ettenda i et salarina et salarina de salarina de salarina et s			u united describer reproductivo de de un referencia compara compara de unite de unite de confluencia de describación de de un esta de confluencia de conflue
and displaced programmer — Temperer annual programmer companies annual displaced and all all and a situation of the annual programmer companies and annual displaced and a situation of the annual programmer companies and a situation of the annual programmer comp	desse i disentanti ana attendati se sentanti alam isa isatahili di sintantika di sintantika attendati attendati		valische State in er verber den absolut und den der delt delt er fles er delt delt delt en er det er delt er d	until der til skalen skrivet s	igadesta (industrial antista esta para esta esta esta esta esta esta esta est
kyndistrikkenst i kust om de se en her en her en her en her en	erstellere en de deur plante de de de la personale de la constant de la constant de la constant de la constant				
akanga yan dalam dalam dalam di sebi sebi sebi sebi sebi sebi sebi seb			gan galannak an		glager kontrol victor i di 1990 mili de balan di 1990 mili su manda andra al di 2000 di 1990 di 1990 di 1990 d
la da a constituire e en en servicio de encolonista de la constituir de la constituir de la constituir de la c	n, assemblas separa-common de ministra conductor distributivo de distributivo		och digis divider dit den skrives hall genedia i skrives skrives de dit den men med med en en eine de den skrives	erone vakorovan risminentin en lista elimista kiriksi kiriliksi kiriliksi kuriliksi kurenduriliksen oleh vah dela	en de la companya del companya de la companya del companya de la c
e Bahadagan Labert in Malain in bahan pakan pakan panga panga pangan panan kalaban angan sasa Bahadagan Labert in Malain in bahan pangan pan	erana, dadarda, ameni kalla elik esik kiri 500 ken esik berkistaksik kiriksi isi ku untu kenilik kiri erapa ameni		et anno anno anno quaetta ain anno anno ain anno anno anno ain anno ain anno ain 1800 an anno anno anno anno a	EEECONNELS (English) verboles en hollsterfel skielske kristerfel from tropic en de speciels en de franzische d	i. In the second data of the foreign and or second section of the sec
gyppydd y gladdiau y di anna a'r arna a arfardiol di arach a'i a calair a'i diddioladd a a'r bran diol diddiol	DOMESTICATION OF THE STATE OF T	yan maka migayo naga proy yanganan masa sa kalakerseken kawa ngalijan keshi sa kala ni 18 si kala kalarsi karsi	indransi in 2004 delektik ku serkisi ti tima selekti ili senten (1200 ku sela-1500 metebentak ili 120 ku se 150 A	gassansasian sere <mark>tar e</mark> lektria eta eta karan eta seren da alahumaran errakarra eta eta eta eta eta eta eta eta eta	a udapan dishinan e masan shipidam sisha e sida da kan muna mula sebagain da di 1990 ya 1899 ya 1899 da kan sa
austra ann an amhainn a se aidr an fhliadh da airdheild na bhliadh Challadh Challadh Challadh Challadh Challadh	t und with the skilled the strategy and the strategy period is the same above the strategy that is a strategy	Van den vannes Marchaelde delann ist die valled in van sellen in delthin before ednes minimate betreved (10 verb i 1 morniteel (10 de) in de	And Subjects, while the SSS who As Sub-Andrew has the Andrew Subsect Andrews and Antonior Andrews Association (	ручнограду, го дового вого, гото то, на чето на 182 година под се се на 1821 година в годи	era Menaden sekusahidi di diraktisah sensa di serenda di serendekterek mesek kepi dekelaman dengan menerik ke I
g gamakastarini middada markeleddiddiddiddiddiddiddiddiddiddiddiddiddi	iyyy gyanyadyanan u son suno unhanni unhashi uhi dan da in da a da in da i	nama, masi nu man neuromba este estropagana mei nu estesse de santini estropamento nel dividendi de estrado de	ini ini pambangan kanada pangan bahi di bahasa	Jane Serv As 5, John and Afrika Marriel Freihölder eithan 1960 (1960 herden eithill) in ceithar eithig Afrika in ceithre 1970 (1970)	Berkelen Bellek (1951-1954) og skrifte skrifte for skrifte (1951-1954) og skrifte (1951-1954) og skrifte (1951-1954)
a a kalain, sa 1833 ann ann aithreach a ceil ainmear ann airm airth ceann ann ann aigeile ann airm	van van medineksen valkelen die Biller de seels verschet de Steven de de Steven Steven van de Steven		у мунунун үүр төрүү улагуу маруу маруу маналанын маналы кайта айман камаланын айман айман айман айман айман ай		a papanda katala ankadisa anda ankadisa anda sa dika akan kata anya difference da katala ankadisa ankadisa anda
diggg graves personant and the state of the	haadakan da sala da	aka ka ada sa da sa da anta anta sa da	dans lan mencentral ancient letter dieser herre nettels delte dillevertelse het delte dillevertelse het disch	ngungkangun ngungan ngungan ngungkang dibidikang dibidi ngungan ngungan ngungan ngungan ngungan ngungan ngunga T	dere de destruit de la set est sur l'estre de la service de la company de la company de la company de la compa
a an agus gangannas, a cannadóirí abhala de deithidí air ceo lá leadh dóilte an arta na mhrach de dréir i meidhleithea		одиран урад у отродно постоянно объекто на селоно общения и селоно общения селоно	ana and all definitions and an anti-continued and the BEE in the Anti-continued Collection (1991) and the Collection (1991	guaphidasa an in mina university are des electron enterent traditional activation and a continue wide. And the Chillians	gruggerunn met sein verseeld in in beveret hette van een verden veldere dals blied is vilde die belee 1999 in 1990 in



# State of Misconsin 2007 - 2008 LEGISLATURE

in 1/24

LRB-0005/4 Z
ARG:jld:jf

DOA:.....Kornely, BB0192 – single state motor carrier registration; unified carrier registration act

FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

don't gen

AN ACT ...; relating to: registration requirements for motor carriers

# Analysis by the Legislative Reference Bureau TRANSPORTATION

#### DRIVERS AND MOTOR VEHICLES

Under current law, DOT administers, in a manner provided under federal law, a single-state insurance registration system for common motor carriers and contract motor carriers allowing these motor carriers with interstate operations to register in, and pay applicable fees to, a single state with regard to proof of satisfaction of motor carrier insurance requirements. The registration is valid in all participating states. Each state sets its own fee and the base state sends each participating state the proper amount of revenue reflecting vehicles that travel into the participating state. The annual fee in Wisconsin for this registration is \$5.

Under federal law, the single-state insurance registration system is scheduled to be repealed effective January 1, 2007, and replaced by a unified carrier registration system. As with the single-state insurance registration system, the unified carrier registration system allows common motor carriers and contract motor carriers with interstate operations to register in, and pay applicable fees to, a single state. Unlike the single-state insurance registration system, the unified carrier registration system applies to private motor carriers as well as common motor carriers and contract motor carriers, including brokers, freight forwarders, leasing

2

3

4

5

6

7

8

9

10

11

12

13

- are established by DoT rule, consistent with federal law.

companies, and exempt for-hire motor carriers. Under the unified carrier registration system, the federal secretary of transportation, upon receiving a recommendation from the unified carrier registration plan board of directors, sets registration fees applicable to participating states.

This bill authorizes DOT to participate in the unified carrier registration system and to impose registration fees on motor carriers, including private motor carriers, brokers, freight forwarders, leasing companies, and exempt for-hire motor carriers. These fees must be consistent with the fees set by the federal secretary of transportation, except that any change in these fees is subject to passive review by JCF/The bill also allows DOT to continue to participate in the single-state insurance registration system for as long as this system continues to be authorized under federal law, but prohibits DOT from simultaneously participating in both the single-state insurance registration system and the unified carrier registration system.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

# The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**SECTION 1.** 194.23 (1) of the statutes is amended to read:

194.23 (1) No person may operate any motor vehicle as a common motor carrier unless the person first obtains a certificate and, if required under this chapter, a permit issued by the department, or unless the person is registered by another state under a single-state or unified carrier registration system consistent with the standards under, respectively, 49 USC 14504 or 49 USC 13908 and 14504a, for the operation of the vehicle, except that no permit is required for the operation of a semitrailer. The department may issue or refuse to issue any certificate. The department may attach to the exercise of the privilege granted by a certificate any terms or conditions which are permitted under this chapter.

**Section 2.** 194.34 (1) of the statutes is amended to read:

194.34 (1) No person may operate any motor vehicle as a contract motor carrier unless the person first obtains a license and, if required under this chapter, a permit

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

issued by the department, or unless the person is registered by another state under a single-state or unified carrier registration system consistent with the standards under, respectively, 49 USC 14504 or 49 USC 13908 and 14504a, for the operation of the motor vehicle, except that no permit is required for the operation of a semitrailer. The department may refuse to issue any license or may attach to the SECTION 3. 194.407 of the statutes is created to read:

194.407 Unified exercise of the privilege granted by a license any terms or conditions which are permitted under this chapter.

194.407 Unified carrier registration system. (1) The department may participate in and do all things necessary to implement and administer a unified carrier registration system for motor carriers, including private motor carriers, in accordance with 49 USC 13908 and 14504a. The annual fee required under this section for a motor vehicle that is operated in this state and that is subject to the unified carrier registration system is the amount determined by the federal secretary of transportation under 49 USC 14504a (d) (7), except that, if sub. (2) is applicable, the fee is the amount established under sub. (2)

(2) Upon receiving notice of a federal change in fees under 49 USC 14504a (d) (7), the department shall submit to the joint committee on finance, and to the appropriate standing committees of the legislature, a written request to change fees consistent with the notice of a federal change in fees. If the cochairpersons of the joint committee on finance do not notify the secretary within 14 working days after the date of the department's submittal that the joint committee on finance has scheduled a meeting to review the request, the department may change fees payable under this section as provided in the request. If, within 14 working days after the date of the department's submittal, the cochairpersons of the joint committee on finance notify

2

3

4 5

6

8

9

10

7

11

12

1314

15 16

18

17

1920

2122

23

25

24

the request, the department may change fees payable under this section only as approved by the committee.

(3) The department may not administer both an insurance registration system

the secretary that the joint committee on finance has scheduled a meeting to review

(3) The department may not administer both an insurance registration system for motor carriers under s. 194.405 and a registration system for motor carriers under this section.

**SECTION 4.** 194.41 (1) of the statutes is amended to read:

194.41 (1) No permit or vehicle registration may be issued to a common motor carrier of property, contract motor carrier, or rental company, no permit or vehicle registration may remain in force to operate any motor vehicle under the authority of this chapter, and no vehicle registration may be issued or remain in force for a semitrailer unless the carrier or rental company has on file with the department and in effect an approved certificate for a policy of insurance or other written contract in such form and containing such terms and conditions as may be approved by the department issued by an insurer authorized to do a surety or automobile liability business in this state under which the insurer assumes the liability prescribed by this section with respect to the operation of such motor vehicles. The certificate or other contract is subject to the approval of the department and shall provide that the insurer shall be directly liable for and shall pay all damages for injuries to or for the death of persons or for injuries to or destruction of property that may be recovered against the owner or operator of any such motor vehicles by reason of the negligent operation thereof in such amount as the department may require. Liability may be restricted so as to be inapplicable to damage claims on account of injury to or destruction of property transported, but the department may require, and with respect to a carrier transporting a building, as defined in s. 348.27 (12m) (a) 1., shall

require, a certificate or other contract protecting the owner of the property transported by carriers from loss or damage in the amount and under the conditions as the department may require. No permit or vehicle registration may be issued to a common motor carrier of passengers by any motor vehicle, or other carrier of passengers by motor bus, except those registered in accordance with s. 341.26 (2) (a) and (d), and no permit or vehicle registration may remain in force to operate any motor vehicle unless it has on file with the department a like certificate or other contract in the form and containing the terms and conditions as may be approved by the department for the payment of damages for injuries to property and injuries to or for the death of persons, including passengers, in the amounts as the department may require. This subsection does not apply to a motor carrier that is registered by another state under a single–state or unified carrier registration system consistent with the standards under, respectively, 49 USC 14504 or 49 USC 13908 and 14504a.



## State of Misconsin 2007 - 2008 LEGISLATURE

LRB-0005/2 ARG:jld:nwn

DOA:.....Kornely, BB0192 – single state motor carrier registration; unified carrier registration act

FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: registration requirements for motor carriers and granting

rule-making authority.

# Analysis by the Legislative Reference Bureau TRANSPORTATION

#### DRIVERS AND MOTOR VEHICLES

Under current law, DOT administers, in a manner provided under federal law, a single-state insurance registration system for common motor carriers and contract motor carriers allowing these motor carriers with interstate operations to register in, and pay applicable fees to, a single state with regard to proof of satisfaction of motor carrier insurance requirements. The registration is valid in all participating states. Each state sets its own fee and the base state sends each participating state the proper amount of revenue reflecting vehicles that travel into the participating state. The annual fee in Wisconsin for this registration is \$5.

Under federal law, the single-state insurance registration system is scheduled to be repealed effective January 1, 2007, and replaced by a unified carrier registration system. As with the single-state insurance registration system, the unified carrier registration system allows common motor carriers and contract motor carriers with interstate operations to register in, and pay applicable fees to, a single state. Unlike the single-state insurance registration system, the unified carrier registration system applies to private motor carriers as well as common motor

2

3

5

6

7

8

9

10

11

12

13

carriers and contract motor carriers, including brokers, freight forwarders, leasing companies, and exempt for-hire motor carriers. Under the unified carrier registration system, the federal secretary of transportation, upon receiving a recommendation from the unified carrier registration plan board of directors, sets registration fees applicable to participating states.

This bill authorizes DOT to participate in the unified carrier registration system and to impose registration fees on motor carriers, including private motor carriers, brokers, freight forwarders, leasing companies, and exempt for-hire motor carriers. These fees are established by DOT rule, consistent with federal law. The bill also allows DOT to continue to participate in the single-state insurance registration system for as long as this system continues to be authorized under federal law, but prohibits DOT from simultaneously participating in both the single-state insurance registration system and the unified carrier registration system.

For further information see the **state** fiscal estimate, which will be printed as an appendix to this bill.

# The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**SECTION 1.** 194.23 (1) of the statutes is amended to read:

194.23 (1) No person may operate any motor vehicle as a common motor carrier unless the person first obtains a certificate and, if required under this chapter, a permit issued by the department, or unless the person is registered by another state under a single-state or unified carrier registration system consistent with the standards under, respectively, 49 USC 14504 or 49 USC 13908 and 14504a, for the operation of the vehicle, except that no permit is required for the operation of a semitrailer. The department may issue or refuse to issue any certificate. The department may attach to the exercise of the privilege granted by a certificate any terms or conditions which are permitted under this chapter.

**SECTION 2.** 194.34 (1) of the statutes is amended to read:

194.34 (1) No person may operate any motor vehicle as a contract motor carrier unless the person first obtains a license and, if required under this chapter, a permit

issued by the department, or unless the person is registered by another state under a single-state or unified carrier registration system consistent with the standards under, respectively, 49 USC 14504 or 49 USC 13908 and 14504a, for the operation of the motor vehicle, except that no permit is required for the operation of a semitrailer. The department may refuse to issue any license or may attach to the exercise of the privilege granted by a license any terms or conditions which are permitted under this chapter.

**SECTION 3.** 194.407 of the statutes is created to read:

194.407 Unified carrier registration system. (1) The department may participate in and do all things necessary to implement and administer a unified carrier registration system for motor carriers, including private motor carriers, in accordance with 49 USC 13908 and 14504a. The department may, consistent with federal law, establish by rule an annual fee under this section for a motor vehicle that is operated in this state and that is subject to the unified carrier registration system.

(2) The department may not administer both an insurance registration system for motor carriers under s. 194.405 and a registration system for motor carriers under this section.

**SECTION 4.** 194.41 (1) of the statutes is amended to read:

194.41 (1) No permit or vehicle registration may be issued to a common motor carrier of property, contract motor carrier, or rental company, no permit or vehicle registration may remain in force to operate any motor vehicle under the authority of this chapter, and no vehicle registration may be issued or remain in force for a semitrailer unless the carrier or rental company has on file with the department and in effect an approved certificate for a policy of insurance or other written contract in such form and containing such terms and conditions as may be approved by the

2

3

4

5

6

7

8

9

10

11

12

13

14

15

. 16

17

18

19

20

21

22

23

24

department issued by an insurer authorized to do a surety or automobile liability business in this state under which the insurer assumes the liability prescribed by this section with respect to the operation of such motor vehicles. The certificate or other contract is subject to the approval of the department and shall provide that the insurer shall be directly liable for and shall pay all damages for injuries to or for the death of persons or for injuries to or destruction of property that may be recovered against the owner or operator of any such motor vehicles by reason of the negligent operation thereof in such amount as the department may require. Liability may be restricted so as to be inapplicable to damage claims on account of injury to or destruction of property transported, but the department may require, and with respect to a carrier transporting a building, as defined in s. 348.27 (12m) (a) 1., shall require, a certificate or other contract protecting the owner of the property transported by carriers from loss or damage in the amount and under the conditions as the department may require. No permit or vehicle registration may be issued to a common motor carrier of passengers by any motor vehicle, or other carrier of passengers by motor bus, except those registered in accordance with s. 341.26(2)(a) and (d), and no permit or vehicle registration may remain in force to operate any motor vehicle unless it has on file with the department a like certificate or other contract in the form and containing the terms and conditions as may be approved by the department for the payment of damages for injuries to property and injuries to or for the death of persons, including passengers, in the amounts as the department may require. This subsection does not apply to a motor carrier that is registered by another state under a single-state or unified carrier registration system consistent with the standards under, respectively, 49 USC 14504 or 49 USC 13908 and 14504a.